

## REPORTS ANALYSIS DIVISION REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: April 14, 2016

ANALYST: Nataliya Ioffe

- I. COMMITTEE: Rohrabacher for Congress  
C00224691  
Jen Slater, Treasurer (7/15/15 – present)  
Jack Wu, Treasurer (2/24/05 – 7/14/15)  
9070 Irvine Center Drive, #150  
Irvine, CA 92618
- II. RELEVANT STATUTES: 52 U.S.C. § 30104(b)  
11 CFR § 102.9  
11 CFR § 102.15  
11 CFR § 104.3

## III. BACKGROUND:

**Other Violations of the Federal Election Campaign Act (Unauthorized Use of Committee Funds)**

Rohrabacher for Congress ("the Committee") amended its 2015 April Quarterly Report to disclose a cash-on-hand adjustment of \$187,946.39 due to the embezzlement of campaign funds by a former treasurer. The Committee also disclosed unauthorized receipts and disbursements on its Amended 2015 April Quarterly and 2015 July Quarterly Reports (Attachment 2).

On June 29, 2015, Charles ("Chuck") Bell, counsel for the Committee, Rhonda Rohrabacher, the candidate's spouse and campaign manager and Jen Slater, treasurer, called the Reports Analysis Division (RAD) Management to discuss the Committee's discovery of embezzlement by former treasurer, Jack Wu. Mr. Bell stated that Mr. Wu had embezzled at least \$173,500 from the campaign during 2014 and 2015 and there was a possibility his embezzlement went back to the beginning of his tenure with the Committee in 2008. The Committee discovered the embezzlement around May 20, 2015, after which Jack Wu admitted to appropriating campaign funds and was relieved of treasurer

responsibilities. After that time, the Committee established a new bank account. Mr. Bell indicated that the old bank account from which Mr. Wu embezzled had about \$5,000 left as of the early April 2015. The FEC reports showed a cash-on-hand balance of \$190,872.00 as of March 31, 2015. Mr. Bell stated the Committee was working with local law enforcement in Orange County and submitted a complaint to the District Attorney's Office. He added that Mr. Wu provided the Committee with a spreadsheet summarizing his unauthorized use of Committee funds going back to January 1, 2014, and the Committee was planning to amend its reports to show the unauthorized activity. He said the Committee may need to make additional corrections later if the investigation revealed more information. RAD Management advised Mr. Bell and Ms. Slater to submit an Amended Statement of Organization (FEC Form 1) disclosing Ms. Slater as the new treasurer, since Mr. Wu still appeared as the treasurer of record. RAD Management also explained how to make a cash-on-hand adjustment on the reports and encouraged the Committee to file an explanatory Miscellaneous Electronic Document (FEC Form 99) (Attachment 3).

On July 13, 2015, Mr. Bell called RAD Management with an update on the Committee's planned reporting of the embezzlement. He indicated that the Committee would file the 2015 July Quarterly Report showing the unauthorized activity that occurred during the reporting period of April 1 through June 30, 2015, and would amend additional reports for 2014 and 2015 later. Mr. Bell stated that the Committee was still investigating the embezzlement that occurred earlier during the former treasurer's tenure (2008 through 2013). Mr. Bell asked for guidance on how to report unauthorized activity, and RAD Management confirmed that unauthorized disbursements should be disclosed on Schedule B supporting Line 21 ("Other Disbursements") and unauthorized receipts should be disclosed on Schedule A supporting Line 15 ("Other Receipts") of the Detailed Summary Page (Attachment 3).

On July 15, 2015, the Committee filed two Amended Form 1s disclosing Jen Slater as the new treasurer (Images 201507159000169376 and 201507159000170094).<sup>1</sup>

On the same date, the Committee filed an Amended 2015 April Quarterly Report, covering January 1 through March 31, 2015 (Image 201507159000203223). On the Amended 2015 April Quarterly Report the Committee adjusted the beginning cash-on-hand balance from \$196,906.47, as disclosed on the original 2015 April Quarterly Report, to \$8,960.08, a decrease of \$187,946.39. The Committee included memo text stating, in full, "Comprehensive Amendment due to Former Treasurer's unauthorized Activity totaling -\$181911.92. We have also adjusted the 12/31/2014 Year End Balance on Hand" (Image 201507159000203227).<sup>2</sup> The Amended 2015 April Quarterly Report also disclosed unauthorized receipts totaling \$25,900.00 on Schedule A supporting Line 15 of the Detailed Summary Page, as well as unauthorized disbursements totaling \$25,594.43 on Schedule B supporting Line 21 of the Detailed Summary Page (Attachment 2).

<sup>1</sup> The Committee checked the change of address and change of e-mail address boxes on the second amendment. On July 31, 2015, the Committee also amended the Statement of Candidacy with the updated information (Image 201508030300016354).

<sup>2</sup> The Committee has not filed an Amended 2015 Year-End Report to adjust the ending cash-on-hand balance as of the date of submission of this referral.

On the same date, the Committee filed a 2015 July Quarterly Report, covering April 1 through June 30, 2015 (Image 201507159000204458). The report disclosed unauthorized receipts totaling \$11,365.88 on Schedule A supporting Line 15 of the Detailed Summary Page, as well as unauthorized disbursements totaling \$9,750.00 on Schedule B supporting Line 21 of the Detailed Summary Page (Attachment 2).<sup>3</sup>

On August 31, 2015, the Committee filed an Amended 2015 July Quarterly Report (Image 201508319001587028). This amendment did not disclose any changes to unauthorized activity entries.

On March 10, 2016, RAD Management called Mr. Bell to follow up on the Committee's reporting of unauthorized activity. Mr. Bell indicated that the Committee's July and August 2015 amendments of 2015 reports brought the disclosed cash-on-hand balance in line with the bank account balance, since they showed adjustments due to embezzlement. He said the Committee was waiting for the conclusion of the legal action against the former treasurer, and that Mr. Wu was indicted by the District Attorney's Office two or three weeks ago. RAD Management asked Mr. Bell whether the Committee planned to file additional amendments or a Form 99, as previously discussed. RAD Management also explained that the issue would be referred for further review to another Commission office. Mr. Bell stated that he would contact RAD to further discuss this issue (Attachment 3).

On March 17, 2016, Mr. Bell e-mailed RAD Management to report that he discussed the matter with the Committee and they would not file a supplementary Form 99, since they have already amended the 2014 and 2015 reports to disclose unauthorized activity. Rather, the Committee will provide any additional information they receive from the Orange County District Attorney's Office about their forensic audit in connection with the indictment of the former treasurer (Attachment 3).

On April 1, 2016, RAD Management e-mailed Mr. Bell to clarify whether the Committee intended to amend 2014 reports to disclose unauthorized activity, as the only reports filed that included unauthorized activity were the Amended 2015 April Quarterly and the 2015 July Quarterly Reports (Attachment 3).

To date, no further communications have been received from the Committee regarding this matter.

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<sup>3</sup> The 2015 July Quarterly Report also disclosed the receipt of excessive contributions, which RAD cited in a Request for Additional Information (RFAI) sent on 7/26/15 (Image 201507260300000528).

O-Index (2015-2016)																											
Cmta. ID: C00224691 Cmta. Name: ROHRBACHER FOR CONGRESS																											
Treasurer Name: SLATER, JEN Address: 9070 IRVINE CENTER DRIVE, #150, IRVINE, CA 92618																											
Cmta. Type: H (HOUSE) Cmta. Designation: P (PRINCIPAL CAMPAIGN COMMITTEE OF A CANDIDATE) Filing Frequency: QUARTERLY FILER																											
Form	Trl	Rpt	Trl	AI	Recpt	Dt	Pgs	Begin	Imcp	Begin	Cvg	Dt	End	Cvg	Dt	Ltr	Mail	Dt	Begin	Cash	Recpts	Disb	End	Cash	Debits	Loans	Debits & Loans
MS-T						2/18/2015	1		15070260377																		
RO2		O2		N		7/28/2015	5		20150726030000538			4/1/2015	8/30/2015					7/28/2015									
RO2		O3		N		12/8/2015	4		20151206030000509			7/1/2015	9/30/2015					12/8/2015									
F3N		O1		N		4/18/2016	101		15051168892			1/1/2015	3/31/2015							\$198,908	\$82,445	\$88,479	\$190,872		\$19,000		\$0
F3A		O1		A		7/15/2015	105		201507159000203223			1/1/2015	3/31/2015							\$8,960	\$88,652	\$85,690	\$12,102		\$19,000		\$0
F3N		O2		N		7/18/2016	92		201507189000204158			4/1/2015	8/30/2015							\$12,102	\$177,042	\$87,948	\$121,195	\$3,778	\$19,000		\$3,778
F3A		O2		A		8/31/2015	95		201508319001587028			4/1/2015	8/30/2015							\$12,102	\$177,042	\$87,948	\$121,195	\$3,778	\$19,000		\$3,778
F3N		O3		N		10/15/2015	121		201510159000207034			7/1/2015	9/30/2015							\$121,195	\$183,515	\$83,453	\$221,257	\$23,541	\$19,000		\$23,541
F3A		O3		A		1/16/2016	124		201601169000510902			7/1/2015	9/30/2015							\$121,195	\$183,515	\$83,453	\$221,257	\$23,541	\$19,000		\$23,541
F3N		YE		N		7/28/2016	78		2016072890004927820			10/1/2015	12/31/2015							\$221,257	\$82,408	\$70,770	\$204,893	\$13,865	\$19,000		\$13,865
F2				A		7/31/2015	3		20150830300016354																		
F1A				A		1/18/2016	5		2016011890004527449																		
F1A				A		2/18/2016	4		15070269820																		
F1A				A		7/18/2016	5		201507189000189378																		
F1A				A		7/15/2015	5		201507159000170094																		
Totals																				\$511,618	\$316,683						

O-Index (2013-2014)

Cmta. ID: C00224691 Cmta. Name: ROHRBACHER FOR CONGRESS  
 Treasurer Name: SLATER, JEN Address: 9070 IRVINE CENTER DRIVE, #150, IRVINE, CA 92618  
 Cmta. Type: H (HOUSE) Cmta. Designation: P (PRINCIPAL CAMPAIGN COMMITTEE OF A CANDIDATE) Filing Frequency: QUARTERLY FILER

Form	Trl	Rpt	Trl	AI	Recpt	Dt	Pgs	Begin	Imcp	Begin	Cvg	Dt	End	Cvg	Dt	Ltr	Mail	Dt	Begin	Cash	Recpts	Disb	End	Cash	Debits	Loans	Debits & Loans
RO2		O1		N		5/31/2013	5		13330032824			1/1/2013	3/31/2013					5/31/2013									
RO2		O1		A		7/2/2013	12		13330034841			1/1/2013	3/31/2013					7/2/2013									
RO2		O2		N		7/26/2013	5		13330034738			4/1/2013	6/30/2013					7/26/2013									
RO2		O3		N		11/29/2013	5		13330037072			7/1/2013	9/30/2013					11/29/2013									
RO2		12P		N		7/7/2014	2		14330054485			4/1/2014	6/14/2014					7/7/2014									
RO2		O2		A		5/9/2014	12		14330063348			1/1/2014	3/31/2014					5/9/2014									
RO2		O3		A		1/14/2015	3		15330072098			7/1/2014	9/30/2014					1/14/2015									
RO2		O3		N		2/7/2014	2		14330067301			7/1/2014	9/30/2014					2/7/2014									
RO2		12C		N		1/14/2015	2		15330072078			10/1/2014	10/15/2014					1/14/2015									
RO2		303		N		12/21/2014	2		14330070748			10/1/2014	11/24/2014					12/21/2014									
F3N		O1		N		4/15/2013	77		13940562735			1/1/2013	3/31/2013							\$190,858	\$45,328	\$52,931	\$183,055		\$19,000		\$0
F3A		O1		A		5/7/2013	107		13941788285			1/1/2013	3/31/2013							\$190,858	\$45,328	\$52,931	\$183,055		\$19,000		\$0
F3A		O1		A		8/30/2013	107		13944519188			1/1/2013	3/31/2013							\$190,858	\$45,328	\$52,931	\$183,055		\$19,000		\$0
F3A		O1		A		10/11/2013	107		13941788285			1/1/2013	3/31/2013							\$190,858	\$45,328	\$52,931	\$183,055		\$19,000		\$0
F3N		O2		N		7/15/2013	91		13941147040			4/1/2013	6/30/2013							\$183,055	\$113,733	\$57,532	\$230,265		\$19,000		\$0
F3A		O2		A		8/29/2013	93		13941518242			4/1/2013	6/30/2013							\$183,055	\$113,733	\$57,532	\$230,265		\$19,000		\$0
F3A		O2		A		10/11/2013	93		13941766392			4/1/2013	6/30/2013							\$183,055	\$113,733	\$57,532	\$230,265		\$19,000		\$0
F3N		O3		N		10/15/2013	99		13941899342			7/1/2013	9/30/2013							\$241,255	\$103,575	\$88,087	\$256,782		\$19,000		\$0
F3A		O3		A		12/23/2013	102		13964955188			7/1/2013	9/30/2013							\$241,255	\$103,575	\$88,087	\$256,782		\$19,000		\$0
F3A		O3		A		1/31/2014	103		14940314375			7/1/2013	9/30/2013							\$241,255	\$103,575	\$88,087	\$256,782		\$19,000		\$0
F3N		YE		N		1/31/2014	137		14940318444			10/1/2013	12/31/2013							\$257,888	\$149,119	\$82,371	\$314,835		\$19,000		\$0



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F3N	Q1	N	4/13/2012	75	12970824732	1/1/2012	3/31/2012	\$412,866	\$46,215	\$135,533	\$323,548	\$19,000	\$0
F3N	12P	N	5/24/2012	43	12951892121	4/1/2012	5/16/2012	\$323,548	\$6,015	\$47,305	\$287,258	\$19,000	\$0
F3N	Q2	N	7/13/2012	67	12952415178	5/17/2012	6/30/2012	\$282,258	\$58,422	\$58,004	\$282,595	\$19,000	\$0
F3A	Q2	A	10/18/2012	67	12972722024	5/17/2012	6/30/2012	\$282,258	\$60,922	\$58,084	\$285,095	\$19,000	\$0
F3A	Q2	A	12/18/2012	67	12941460780	5/17/2012	6/30/2012	\$282,258	\$58,422	\$58,084	\$282,595	\$19,000	\$0
F3N	Q3	N	10/15/2012	79	12972500890	7/1/2012	9/30/2012	\$282,595	\$46,885	\$101,210	\$228,241	\$19,000	\$0
F3A	Q3	A	12/18/2012	74	12863746521	7/1/2012	9/30/2012	\$282,595	\$46,885	\$101,210	\$228,241	\$19,000	\$0
F3N	12G	N	10/25/2012	32	12940431895	10/1/2012	10/17/2012	\$228,241	\$3,634	\$26,095	\$205,780	\$19,000	\$0
F3A	12G	A	12/18/2012	32	12863746595	10/1/2012	10/17/2012	\$228,241	\$3,634	\$26,095	\$205,780	\$19,000	\$0
F3N	30G	N	12/9/2012	64	12982863018	10/18/2012	11/28/2012	\$205,780	\$49,490	\$48,676	\$206,593	\$19,000	\$0
F3A	30G	A	12/18/2012	64	12903740827	10/18/2012	11/28/2012	\$205,780	\$49,490	\$48,676	\$206,593	\$19,000	\$0
F3A	30G	A	1/31/2013	70	13980826332	10/18/2012	1/28/2013	\$205,780	\$49,490	\$48,676	\$206,593	\$19,000	\$0
F3N	YE	N	1/31/2013	26	13980826179	11/27/2012	12/31/2012	\$206,593	\$8,200	\$24,135	\$190,658	\$19,000	\$0
F3A	YE	A	2/5/2013	27	13963192407	11/27/2012	12/31/2012	\$206,593	\$8,200	\$24,135	\$190,658	\$19,000	\$0
F3A	YE	A	8/30/2013	27	13964579037	11/27/2012	12/31/2012	\$213,343	\$8,200	\$24,135	\$197,408	\$19,000	\$0
F3A	YE	A	10/11/2013	27	13941794179	11/27/2012	12/31/2012	\$206,593	\$8,200	\$24,135	\$190,658	\$19,000	\$0
F2		A	9/12/2011	2	11030661855								
F8N			8/4/2012	1	12951937240								
F1A		A	10/6/2011	4	11971553974								
F6N			10/31/2012	1	12940746033								
F6N			10/31/2012	1	12940747293								
F6N			10/29/2012	1	12941216423								
F6N			10/24/2012	1	12940403117								
F6N			11/19/2012	1	12961286171								
F1A		A	11/22/2011	4	11952957752								
Total								\$493,391	\$582,122				

**Rohrabacher for Congress (C00224691)**

Amended 2015 April Quarterly Report, received 7/15/15 (Image 201507159000203223)

Unauthorized Receipts

Name	Date	Amount	Transaction Description
The W. Jane Company - UNAUTHORIZED	1/5/2015	\$9,000.00	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
The W. Jane Company - UNAUTHORIZED	1/16/2015	\$1,500.00	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
Wu - UNAUTHORIZED, Jack	2/4/2015	\$1,000.00	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
Wu - UNAUTHORIZED, Jack	2/9/2015	\$100.00	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
Wu - UNAUTHORIZED, Jack	2/10/2015	\$500.00	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
Wu - UNAUTHORIZED, Jack	2/13/2015	\$1,200.00	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
Wu - UNAUTHORIZED, Jack	2/17/2015	\$1,200.00	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
Wu - UNAUTHORIZED, Jack	2/18/2015	\$3,250.00	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
Wu - UNAUTHORIZED, Jack	2/19/2015	\$2,200.00	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
Wu - UNAUTHORIZED, Jack	3/3/2015	\$1,000.00	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
Wu - UNAUTHORIZED, Jack	3/5/2015	\$1,000.00	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
Wu - UNAUTHORIZED, Jack	3/6/2015	\$500.00	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
Wu - UNAUTHORIZED, Jack	3/9/2015	\$350.00	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
Wu - UNAUTHORIZED, Jack	3/10/2015	\$2,600.00	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
Wu - UNAUTHORIZED, Jack	3/18/2015	\$500.00	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
<b>Total Unauthorized Receipts</b>		<b>\$25,900.00</b>	

Unauthorized Disbursements

Name of Payee	Date	Amount	Purpose
The W. Jane Company - UNAUTHORIZED	1/12/2015	\$2,000.00	Unauthorized Withdrawal by Former Treasurer
The W. Jane Company - UNAUTHORIZED	1/13/2015	\$1,000.00	Unauthorized Withdrawal by Former Treasurer

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The W. Jane Company - UNAUTHORIZED	1/21/2015	\$1,100.00	Unauthorized Withdrawal by Former Treasurer
The W. Jane Company - UNAUTHORIZED	1/27/2015	\$500.00	Unauthorized Withdrawal by Former Treasurer
The W. Jane Company - UNAUTHORIZED	2/2/2015	\$1,194.43	Unauthorized Withdrawal by Former Treasurer
The W. Jane Company - UNAUTHORIZED	2/6/2015	\$1,500.00	Unauthorized Withdrawal by Former Treasurer
The W. Jane Company - UNAUTHORIZED	2/19/2015	\$3,000.00	Unauthorized Withdrawal by Former Treasurer
The W. Jane Company - UNAUTHORIZED	2/27/2015	\$3,000.00	Unauthorized Withdrawal by Former Treasurer
Wu - UNAUTHORIZED, Jack	3/12/2015	\$2,000.00	Unauthorized Withdrawal by Former Treasurer
Wu - UNAUTHORIZED, Jack	3/16/2015	\$5,000.00	Unauthorized Withdrawal by Former Treasurer
The W. Jane Company - UNAUTHORIZED	3/20/2015	\$3,500.00	Unauthorized Withdrawal by Former Treasurer
The W. Jane Company - UNAUTHORIZED	3/23/2015	\$1,800.00	Unauthorized Withdrawal by Former Treasurer
<b>Total Unauthorized Disbursements</b>		<b>\$25,594.43</b>	



2015 July Quarterly Report (Image 201507159000204458)

Unauthorized Receipts

Name	Date	Amount	Transaction Description
JACK WU - UNAUTHORIZED	4/3/2015	\$3,000.00	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
JACK WU - UNAUTHORIZED	4/20/2015	\$1,000.00	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
JACK WU - UNAUTHORIZED	4/21/2015	\$1,500.00	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
The W. Jane Company - UNAUTHORIZED	4/30/2015	\$5,000.00	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
The W. Jane Company - UNAUTHORIZED	5/4/2015	\$200.00	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
JACK WU - UNAUTHORIZED	5/11/2015	\$665.88	Deposit made by Former Treasurer to cover Unauthorized Withdrawals
<b>Total Unauthorized Receipts</b>		<b>\$11,365.88</b>	

Unauthorized Disbursements

Name of Payee	Date	Amount	Purpose
The W. Jane Company - UNAUTHORIZED	4/1/2015	\$1,000.00	Unauthorized Withdrawal by Former Treasurer
The W. Jane Company - UNAUTHORIZED	4/2/2015	\$1,850.00	Unauthorized Withdrawal by Former Treasurer
The W. Jane Company - UNAUTHORIZED	4/3/2015	\$1,900.00	Unauthorized Withdrawal by Former Treasurer
The W. Jane Company - UNAUTHORIZED	4/3/2015	\$5,000.00	Unauthorized Withdrawal by Former Treasurer
<b>Total Unauthorized Disbursements</b>		<b>\$9,750.00</b>	